

10 November 2009

The Manager
Company Announcements
Australian Securities Exchange Ltd
Level 5, 20 Bridge Street
Sydney NSW 2000

Dear Sirs

Phosphate Joint Venture Secures \$2.6M in Funding

Singapore based Resource Kings Pte Ltd has entered into a Binding Term Sheet to acquire a joint venture interest in potentially large-scale phosphate projects held by GBM Resources Limited (ASX code: "GBZ") in the Mount Isa region of north Queensland.

Resource Kings Pte Ltd is a commodities based trading company that includes a focus on steel and fertiliser products.

Under the proposed agreement GBM Resources will issue 8.5 million new ordinary shares in the company to Resource Kings Pte Ltd at an issue price of A\$0.31 per ordinary share being a premium to current market price to raise \$2,635,000 and GBM will agree to commit \$635,000 of the funds invested toward a phosphate exploration program to be managed by GBM.

Upon completion of the initial exploration program, the joint venture agreement will enable Resource Kings Pte Ltd to have earned a 90% interest in the phosphate projects and to have full responsibility for all future development and mine related costs and GBM to retain a free carried interest of 10% of any income generated from the successful production and sale of phosphate. GBM's interest is subject to a 2% royalty.

The remaining \$2.0 million will be used by GBM to further enhance its exploration efforts at the Brightlands Cu Au project and the Malmsbury Au project.

This transaction will;

- increase GBM's cash resources to approximately \$6 million,
- accelerate the progress of these projects, and
- provide additional funds for our copper and gold projects.

The term sheet proposes that the placement will be in two tranches covering an initial payment of A\$1.335m to be paid on 16 December 2009 and the balance of A\$1.300m on the 27 January 2010.

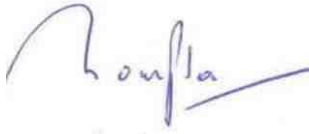
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Exploration Office: 10 Parker Street,
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The phosphate projects are located at Bungalien (EPM14355), Horse Creek (EPM 15150), Malbon 2 (EPM14120) and EPM applications 17849 , 18207 and 18208.

We have stated previously that we were looking for a partner to develop our Phosphate assets and are delighted to have entered into this transaction with Resource Kings Pte Ltd which opens up an opportunity to value-add to these assets without diluting our core focus and assignment of cash reserves for our flagship copper and gold pursuits in Queensland and Victoria.

Yours Sincerely



Peter Thompson
Managing Director

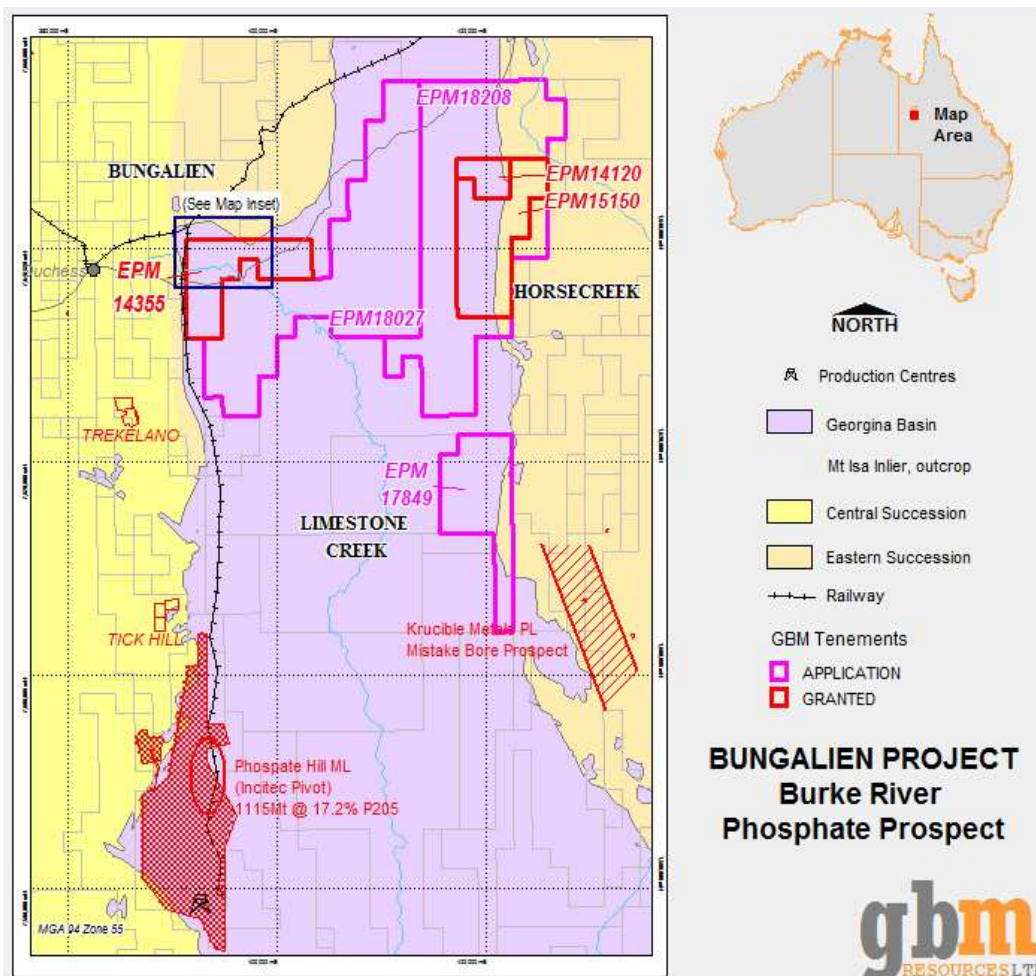
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Phosphate Projects

Drilling completed in December 2008 confirmed widespread phosphate mineralisation at the Bungalien tenement. Peak phosphate values of more than 22% P₂O₅ were among some of the strongest results from the 1,000 metre Reverse Circulation program.

Bungalien is among a suite of nearby phosphate projects including Horse Creek, Limestone Creek and Malbon2, owned by the Company within the area's phosphate rich Beetle Creek Formation, part of the broader Georgina Basin mineralised footprint near Mount Isa.



Note; The information in this report that relates to Exploration Results is based on information compiled by Neil Norris, who is a Member or Fellow of The Australasian Institute of Mining and Metallurgy. Mr Norris is a full-time employee of the company. Mr Norris has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Norris consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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